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# Economic Review

A PUBLICATION OF THE ECONOMIC DEVELOPMENT CORPORATION OF UTAH

## President's Message

### EDCUtah Welcomes Three to Its Team

We are pleased to introduce you to three new employees who joined our team this month. They are [Lindsay Clark](#), [Nick Dall](#) and [Brittany Altieri](#).

Lindsay comes aboard as our new research manager. She was most recently with the Governor's Office of Energy Development in marketing and communications. Nick Dall joined the business development team as a coordinator. He comes from Mindshare, where he worked as an operations manager. Brittany joined us earlier this month as the business development administrative assistant, working closely with Todd and the business development team. She joins us from Xi3, where she worked in an administrative assistant role.

Also, congratulations to Jennifer Black, the new director of catering at Hotel Monaco's Bambara, a Kimpton restaurant in downtown Salt Lake City and an EDCUtah investor. In her role as director of catering, Jennifer will oversee all events, group meetings and private social celebrations. Before Bambara she put her magic to work at Caesar's Entertainment venues, including The Rio All Suite, Bally-Paris and Caesar's Palace in Las Vegas, where she managed convention services and high level entertaining for celebrities and high profile events.

Today's Economic Review also includes links to many of the ED-related news stories from the past week. As always, if you have comments, suggestions or topics you'd like to see in the Economic Review, please contact us by clicking the "Comments" link on the bottom of this page. Enjoy!



**Jeff Edwards**  
President and CEO

## In the News

### Xactware celebrates new Lehi headquarters with a bang

Twenty confetti cannons shot metallic blue and silver streamers into the sky simultaneously as 50 homing pigeons flew into the air, capping Xactware's inaugural ceremony for its new corporate headquarters.

[\(Daily Herald\)](#)

### StorageCraft breaks ground on new corporate HQ facility

A new chapter in the StorageCraft Technology Corporation success story began today when the company broke ground on its new corporate headquarters facility in Draper. The 125,000-square-foot facility is the first step in a major expansion for the backup and disaster recovery solution leader.

[\(MarketWatch\)](#)

### Potash Ridge granted water rights for Blawn Mountain project

Utah Alunite Corporation, a subsidiary of Canadian-based Potash Ridge Corporation, has received approval for its water rights application for the Blawn Mountain sulphate of potash project. Blawn Mountain Project is located in Southern



**Beaver County is the only location in the country, and perhaps the world, where five different renewable energy resources have been commercially developed. Pictured are the Blundell Geothermal site (background) and First Wind's Milford Wind Farm (foreground). Photo courtesy of Andy Swapp.**

## Feature Story

### Utah's Complete Renewable Energy Portfolio

About 165 miles south of Salt Lake City, 80-foot blades from 165 wind turbines spin above the desert near the railroad town of Milford. Off in the distance, steam from the Blundell geothermal plant billows into the air. South of Milford, two methane digesters convert hog manure from Circle 4 farms into electricity. Across the county, hydroelectric plants in the Beaver Mountains generate electricity for the City of Beaver, one of the state's first cities to be electrified. South of Milford, the recent permitting of four solar farms by First Wind will complete the county's renewable energy portfolio. Then, Beaver County will be the only location in the nation, and perhaps the world, where five different types of renewable energy are commercially produced within a 50-mile radius of each other.

More than 100 years ago, prospectors scoured the mountains and deserts of Beaver County looking for gold, silver and other metals. Wild mining towns like Frisco boomed west of Milford, only to evaporate into the desert when mining went bust a decade later. Today, renewable energy developments are flourishing where mining operations failed. The resources are delightfully more plentiful than anyone could ever imagine, and now, modern-day prospectors are scouring the desert for additional renewable energy locations.

"It's a unique situation not found anywhere else in the United States or overseas, to my knowledge," says Andy Swapp, founder of the [Southwest Utah Renewable Energy Center](#), which offers renewable

Utah and will produce premium fertilizer sulphate of potash and a possible alumina rich by-product. ([Yahoo!Finance](#))

### Syberjet Aircraft receives production certificate approval from FAA

its water rights application for the Blawn Mountain sulphate of potash project. Blawn Mountain Project is located in Southern Utah and will produce premium fertilizer sulphate of potash and a possible alumina rich by-product. ([Yahoo!Finance](#))

### Airgas plans specialty gas production facility in Tooele County

A supplier of industrial, medical and specialty gases, and related products, Airgas Inc. will build a new specialty gas production facility in Tooele County. ([Area Development](#))

### Outdoor retailer Cabela's building new shipping center in Tooele

By summer of 2015, gear for thousands of hunters, fishers, campers and boating enthusiasts across the West will be moving in and out of a new facility in Tooele. Outdoor outfitter Cabela's began construction Tuesday on a huge regional distribution hub in an industrial park on Tooele's west side. ([Salt Lake Tribune](#))

### Utah County could see nearly 1 million new residents by 2050

Utah County is primed for a huge population explosion during the next 30 years. In a presentation to the Utah County Commission last week, representatives with Envision Utah, a public-private partnership created to

energy training in Milford. As a self-described "old-fashioned shop teacher" at Milford High School, Swapp wanted to be sure the claim was accurate, so he wrote to the U.S. Department of Energy to ask if there were any other locations in the United States with similar renewable energy portfolios. About a month later he received a response from Dr. Christopher Avery, a science and technology policy fellow in the DOE. "Given the vast renewable power resource potential out west, I am skeptical Milford is the only place with all five of those power technologies collocated," Avery noted. "That said, I don't see any evidence you are wrong. And even if there are other sites, I am certain they would be relatively rare. So regardless, you should absolutely be bragging about it."

And so he does. Swapp promoted Beaver County's claim to renewable energy fame at the Milford Renewable Energy Fair in April. But growth of renewable energy in the county began quite my accident. Originally intended to power mining operations, hydro power stations were built in the mountains east of Beaver. Today, the combined generating capacity for all three of the stations is approximately 9,200,000 kilowatt hours—enough to power 6,000 homes and businesses. Another hydro power station in the foothills west of Milford collects enough spring water to run a hydro turbine that has taken the Wah Wah Ranch and its two homes, outbuildings and two center-pivot irrigation systems off of the grid.

The potential for geothermal in the county was first documented by the Dominguez-Escalante Expedition in the late 1700s, when Father Escalante traveled through present-day Beaver County. The first geothermal plant in Utah, Blundell Plant 1, is a 34-megawatt facility is owned by Rocky Mountain Power. That project earned the U.S. Department of Energy's innovation award in 1984 for being the first commercially-produced geothermal power plant outside of California. In 2007, Rocky Mountain Power brought Blundell 2 online. It is an 11-megawatt binary bottoming-cycle unit.

In recent years, two more geothermal facilities have come online through the cooperation of public and private entities. Thermo No. 1, located near Milford and owned by Cyrq Energy, is an operating binary geothermal power plant located on 1,120 acres of property leased from School and Institutional Trust Lands Administration (SITLA) and a private property owner. The facility began commercial operations in 2009 and is a 10.3-megawatt rated, zero-emissions, water cooled geothermal power plant. The power generated at Thermo No. 1 is sold to the City of Anaheim. Thermo No. 1 employs nine full-time employees, including seven local residents.

Another geothermal plant, located at Cove Fort, is owned by Enel Green Power North America (EGP-NA). The site overlaps into Beaver and Millard Counties. The installed capacity of the new binary cycle geothermal power plant in Cove Fort is 25 megawatts.

Meanwhile, First Wind's Milford Wind farm stretches through the desert just north of Milford. The combined 306-megawatt facilities were developed in two phases and make up the largest operational utility-scale wind farm in Utah. Output from the two operational phases provides power for about 64,000 Southern California homes under normal operating conditions, while avoiding 300,000 tons of CO<sub>2</sub>

strategically create planning strategies in the state, estimated Utah County could increase in population by as much as 840,000 residents by 2050.

[\(Daily Herald\)](#)

### **Sundance Film Festival's impact on Utah economy grows**

Of all the multimillion-dollar deals that were made at the 2014 Sundance Film Festival, the biggest might be the one between festivalgoers and the Utah economy. The 11 days of the festival produced an economic impact of \$86.4 million, according to a study, released Thursday, by the Bureau of Economic and Business Research at the University of Utah's David Eccles School of Business.

[\(Salt Lake Tribune\)](#) [\(Deseret News\)](#)

### **Study: Utah taxpayers get a great return on their investment**

A study says Utah taxpayers get the ninth best return on their investment. Website Wallet Hub says Utah's tax rate is 14th in the nation, while the state's government services come in at 5th.

[\(Utah Policy\)](#)

### **Leaders from six Western states speak as one: Fix nation's broken immigration system**

The nation's outdated and unworkable immigration policies place law enforcers in an "unfair, untenable position," says Salt Lake County's top cop.

[\(Deseret News\)](#) [\(Salt Lake Tribune\)](#)

### **Op-ed: Fiber: Lighting the future of Utah's economy**

I applaud the recent attention regarding increased fiber infrastructure in the Beehive

emissions that would result from conventional regional generation sources in a typical year.

Phase 1, completed in November of 2009, is situated predominantly in Beaver County and consists of 97 operational wind turbines—a mix of 1.5-megawatt and 2.5-megawatt machines—with a maximum capacity of 204 megawatts. The second phase of the project, completed in 2011, lies mostly in Millard County. It added 102 megawatts from 68 turbines. In order to transmit power to Southern California, First Wind built an 88-mile transmission line that connects the wind turbines with the Intermountain Power Plant in Delta and then with the Southern Transmission System towards the Los Angeles metro area.

While First Wind is exploring future development opportunities for harnessing the excellent wind resource in the extensive Milford Valley, the company is also planning to develop four solar farms in Beaver County and three solar farms in nearby Iron County. The recently-permitted solar farms will produce approximately three megawatts each for a total of 21 megawatts.

In 2012, Circle 4 Farms and Alpentel Energy Partners entered into a strategic partnership to take hog manure from Circle 4 Farms near Milford and convert it into electrical energy. Now complete, that project converts enough electricity from the hog manure to power about 3,000 homes and businesses.

Swapp says development of First Wind's solar farms completes the renewable energy portfolio and places Beaver County at the top of the renewable energy radar. "Nationally, Utah gets a bad rap for not producing much renewable energy, and yet we are the only state that has five different renewable energy developments next to each other, and they are all growing rapidly," he adds.

To be sure, the state's renewable energy portfolio is growing. Thirteen potential geothermal projects are in varying stages of development in the state, according to the Geothermal Energy Association. And other solar, wind and biomass projects are adding to the diversity.

"We live in a commodity-rich state, an incredible state," says Swapp. "It is indisputable that Utah is a major contender in the renewable energy market and a great place to do business."

## Investor Spotlight

### Clearfield City: 'We've Got it Made'

Conveniently located next to Hill Air Force Base in Davis County, Clearfield City adopted a "We've Got it Made" tag line several years ago to emphasize the city's strong manufacturing sector. Assistant City Manager J.J. Allen says companies like ATK, Lifetime Products, Utility Trailer, Don Julio Foods and Smith Optics are a few of the great companies that have made Clearfield home. "We've got a lot of great companies, great neighborhoods and great quality of life," he adds.

This summer, developers will break ground on Clearfield Station, a transit-oriented business park next to the FrontRunner station featuring about 500,000

State. With Google Fiber, Macquarie Capital's interest in UTOPIA, and our existing high-speed network providers all stepping up to provide faster, more reliable data infrastructure—we all stand to benefit.

[\(Deseret News\)](#)

### Utah's jobless rate slips to 3.8 percent in April

Utah's unemployment rate dropped to 3.8 percent in April, the lowest it's been in nearly six years.

[\(Salt Lake Tribune\)](#)

### Looking for business growth? Don't overlook international trade

Utah is a landlocked state in the middle of the Rocky Mountains. But international trade is a crucial part of Utah's economy, and it is poised to grow larger.

[\(Deseret News\)](#)

### Survey: Utah is the 13th Best State for Business

*Chief Executive Magazine* conducted a survey recently and ranked each of the 50 states for its relative appeal for business. Utah scored relatively well in each of three major ratings categories to obtain a rank of 13.

[\(Utah People's Post\)](#)

### Utah ski resort Snowbird changes ownership

Resort co-founder Dick Bass announced last week that majority interest is going to a Wyoming businessman whose family owns a series of Utah ski areas.

[\(Standard-Examiner\)](#)

### Utah business startups coached for success

The grim statistics are that 97 percent of start-up businesses fail within the first year, but the Davis Applied

square feet of flex business space for research and development or manufacturing. Another 500,000 square feet will be devoted to traditional business space. Allen says the development will build on Clearfield's identity as a community with the goal to attract businesses that appreciate the great transit location.

Clearfield City has been an EDCUtah investor since about 2003. Allen says EDCUtah's investors from Davis County meet quarterly with EDCUtah business developers to work on economic development projects with Clearfield hosting the next meeting.

"We value EDCUtah's role and appreciate the opportunity to see what is going on in economic development," he says, "and we appreciate the project update reports and RFIs that EDCUtah sends out."

## Calendar

### June 2-5

[SAMPE Tradeshow](#) (Seattle)

### June 3-4

[2014 Governor's Energy Development Summit](#) (Salt Palace Convention Center)

### June 4

EDCUtah Golf for Grants Tournament 2014 (Eaglewood Golf Course, North Salt Lake)

### June 12

"Exploring the Myths and Misconceptions of Employer Sponsored Healthcare Plans." Hays Company Seminar. Keynote speaker: David Ross – executive vice president of Underwriting Services, June 12 from 1:30-4 p.m. (Little America Hotel, Salt Lake City). RSVP for this seminar by sending an email to [bchristensen@hayscompanies.com](mailto:bchristensen@hayscompanies.com) or by calling [801-505-6508](tel:801-505-6508).

### June 18

EDCUtah Quarterly Investor Update (Location TBD)

### July 14

[UTC 12th Annual Golf Invitational](#) (Salt Lake Country Club). Sponsor and connect with more than 100 high-level executives from Utah companies.

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[GOED News](#)

Technology College wants to lower that number by giving resources, training and education to make the businesses successful.

[\(Standard-Examiner\)](#)

### Car-centric Salt Lake City explores alternatives

In Utah, a booming region works to curb its reliance on the automobile.

[\(Time\)](#)

### Herbert praises STEM education at ceremonial bill signing

Flanked by fifth- and sixth-grade students from Orem Elementary School, Utah Gov. Gary Herbert on Thursday signed into law HB150, which appropriates \$20 million to enhance science, technology, engineering and mathematics, or STEM, education in the state.

[\(Deseret News\)](#) [\(Daily Herald\)](#)

### How generous is your state? Utah ranks first, southern and southwestern states last

Leading the U.S. in reported generosity, Utah has landed itself first in the nation in a recent Gallup poll measuring charitable giving in donated money and volunteered time, all self-reported.

[\(Deseret News\)](#)

### Rocket Science takes off in Southern Utah

MotionPort, a distributor and developer of computer aided engineering software in St. George, has received a NASA Small Business Innovation Research Phase I award of \$125,000 to develop an application that will simulate deployable space structures, specifically



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roll-out solar arrays.

[\(Utah Pulse\)](#)

**A three-pronged approach to growing Utah's diversified exports**

During his economic summit in April, Utah Gov. Gary R. Herbert challenged Utah's government and business leaders to find ways to increase the state's diversified exports to \$9 billion.

[\(Utah Pulse\)](#)

**Marc Benioff, chairman and CEO of Salesforce.com, to keynote Utah Technology Council's 2014 Hall of Fame Gala**

Marc Benioff, chairman and CEO of Salesforce.com, will headline the Utah Technology Council's 2014 Hall of Fame Celebration. The annual black-tie gala honors the Utah technology industry and will be held at the Grand America Hotel in Salt Lake City Nov. 7.

[\(Utah Pulse\)](#)

**Program immerses high school students in business world**

Looking for something educational for your teenager to do this summer? Utah Business Week will celebrate its 33rd year of immersing high school juniors and seniors into the world of business.

[\(Deseret News\)](#)

**Utah cost of living mostly flat but higher transportation, utility costs loom**

The cost of living along the Wasatch Front remained essentially flat last month, with the Zions Bank Consumer Price Index (CPI) increasing just 0.1 percent

from March to April.  
[\(Salt Lake Tribune\)](#)

**New USU research could help improve human predictions**

From sports to the stock market and even winning the lottery, it's in our nature to predict who or what will come out on top. People are more likely to make a prediction about something when it is grouped in a large category of similar items, according to a new study in the Journal of Consumer Research, co-authored by a researcher at Utah State University.  
[\(Utah Business\)](#)

**West Jordan company to play big role in U.S. Capitol restoration**

Much of the U.S. Capitol Building is made of stone, but many Americans would be surprised to learn that the dome itself is made of cast iron designed to look like stone. Now that dome is in need of some repairs.  
[\(KSL\)](#)